

UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL



Distr.
GENERAL

E/1984/NGO/8
20 July 1984

Original: ENGLISH

Second regular session of 1984
Agenda item 5

REVIEW AND APPRAISAL OF THE IMPLEMENTATION OF THE INTERNATIONAL DEVELOPMENT STRATEGY FOR THE THIRD UNITED NATIONS DEVELOPMENT DECADE

Statement submitted by the International Confederation of Free Trade Unions, a non-governmental organization in consultative status, category I

The Secretary-General has received the following statement, which is circulated in accordance with paragraphs 23 and 24 of Economic and Social Council resolution 1296 (XLIV) of 23 May 1968.

* * *

1. On the occasion of the review and appraisal of the implementation of the International Development Strategy for the Third United Nations Development Decade, the International Confederation of Free Trade Unions (ICFTU) would like to reiterate its support for the broad social objectives, and the approach of targets, as agreed by the General Assembly on 5 December 1980, when it formally adopted the Strategy (resolution 35/56, annex). In particular, the Confederation has stressed from the outset the importance of adequate flows of resources from industrialized to developing countries as a prerequisite for balanced growth, including the target of 0.7 per cent of gross national product (GNP) in official development assistance (ODA). An average annual growth of GDP of 7 per cent in the developing countries is also still the minimum required for a reasonable degree of social progress during the Decade.
2. The first three years of the Third United Nations Development Decade have been marked by the continuing economic recession, despite some faltering signs of recovery, and by only minimal progress towards the achievement of the targets set by the Strategy. Progress towards the fulfilment of the 0.7 per cent ODA target has been slow and, in general, there have been severe cut-backs in multilateral assistance, while commercial sources of credit have dwindled, as one developing country after another has had to face the consequences of accumulated debt burdens and the loss of credit-worthiness with commercial banks. A large number of developing countries, particularly in Africa, have experienced declining or even negative growth.
3. There has been a widespread tendency to explain the lack of progress in the achievement of the social objectives of the Strategy by the unfavourable international economic climate. The objectives of the Strategy, it has been stated, were predicated on the assumption of a pick-up in economic growth, and were bound

to be hindered by the failure of that growth to materialize. However, the targets of the Strategy constituted a set of politically agreed objectives aimed at stimulating growth and bringing about economic and social development. Their achievement was hindered because of the inappropriate deflationary policies of the main industrialized countries, which only served further to stifle aggregate demand, leading to a downward spiral of decline in trade, increased protectionism, the collapse of commodity prices and a further deepening of the recession.

4. Caught in the grip of an economic crisis, partly of their own making, the industrialized countries have demonstrated less and less political will towards international economic co-operation. As a result, all of the major initiatives of the North-South dialogue, dealt with in the Strategy, have been compromised:

(a) The global negotiations, which were to have provided a framework for the implementation of the Strategy in specific areas;

(b) The international commodity agreements and the Common Fund for Commodities (paras. 33, 35, 55 of the Strategy);

(c) Special initiatives on energy;

(d) The United Nations Industrial Development Fund (paras. 75 and 76);

(e) The United Nations Code of Conduct on Transnational Corporations (para. 70);

(f) Official development assistance targets and aid flows (para. 103);

(g) Targets for annual growth of gross domestic product (GDP) and trade expansion;

(h) Increased opportunities for productive employment;

(i) Easing of the conditionality of the International Monetary Fund (paras. 24 and 26);

(j) International Development Association soft loans (World Bank).

5. The ILO sectoral report on the review and appraisal of the International Development Strategy dealt with five areas of particular concern in which social progress has been far from satisfactory, namely, (a) employment and poverty alleviation, (b) vocational training, (c) safety and health in the working environment, (d) child labour and (e) population participation. Those are indeed of prime importance. The satisfaction of basic needs, particularly food security and satisfying nutritional requirements, (paras. 28 and 86) should also be mentioned.

6. The Confederation's statement on "Full employment and an end to poverty", adopted at its thirteenth World Congress, held at Oslo in June 1983, drew attention to the alarming increases in levels of poverty and unemployment world-wide. The failure to satisfy food needs is a specific and disturbing manifestation of that poverty in many developing countries, particularly in Africa. The Confederation wishes to emphasize the fact that progress cannot be made towards achieving the objectives of the Strategy if the mood prevalent in the international community continues to be inward-looking and to be characterized by an unwillingness to break the deadlock on the various aspects of dialogue aimed at bringing about

enduring solutions. Nor can progress be made in a climate of protectionism, deflationary policies, and depressed demand, leading to unfavourable terms of trade and worsening balance of payments in developing countries, reductions in aid and painful adjustment policies, all of which place serious constraints on the possibilities for growth and the achievement of the economic and social objectives espoused by the Strategy.

7. The ICFTU 1984 World Economic Review has focused on the reality of an interdependent world, where the deepening recession and a depression of demand in the developed countries have had a dramatic impact on the economic performance of developing countries, and have further exacerbated a situation of declining living standards, increased unemployment and the failure to satisfy basic needs. Stagnation in agricultural production and in food production have reached crisis proportions in many countries of Africa, where millions of people are faced with the threat of famine.

8. A trade union conference on the effects of the global economic crisis on African countries, held at Dakar in March 1984, focused on the critical economic problems facing Africa, including the problems of food shortages. The conclusions of that conference, the Dakar Declaration, set out an agenda for concerted action at national, continental and international levels, aimed at restoring balanced growth to African economies.

9. Both the Dakar Declaration and the ICFTU 1984 World Economic Review emphasize the need for increased economic co-operation. While the forces of interdependence have accelerated deflationary trends over the last three years, they could also assist Governments in bringing about a sustainable world recovery, based on co-ordinated, growth-oriented policies, thereby establishing the pre-conditions for the attainment of the economic and social objectives set by the Strategy.

10. The Confederation continues to support the Strategy's objective of the full and effective participation of the entire population in all stages of the development process and views the fulfilment of that objective as critical for the successful implementation of the Strategy. Development programmes cannot succeed without the effective participation of the people, who are the ultimate beneficiaries of that development, through their own freely chosen organizations. The Confederation has always stressed that the observance of international standards is an indispensable component of social progress and development.

11. The negotiation of the Strategy was a major step forward in international economic relations. It placed priority on the urgent basic needs of the majority of the world's population and urged Governments to adapt their policies and institutions to enable the achievement of modest and realistic targets. The Confederation still supports this approach, even though many Governments have effectively abdicated responsibility for trying to control the economic forces which have produced the set-backs of the last four years. Indeed, the kind of international co-operation envisaged in the Strategy is needed now more urgently than ever.
